

ILLINOIS INTERNATIONAL PORT DISTRICT

**Summary Record of Proceedings
of the
REGULAR BOARD MEETING
June 21, 2019**

The Regular meeting of the Board of Directors of the Illinois International Port District and Committee meetings were held Friday, June 21, 2019, at 3600 E. 95th Street, Chicago, Illinois.

The roll was called at 9:00 am. The following Directors were present: Terry Fitzmaurice, Terry Sullivan, Ray Suarez, Aaron Del Mar, Charles Bowen, Henry Wisniewski, Paul Chialdikas, and William Habel. A quorum was present. Michael Forde was absent.

Also present: Clayton Harris III, Executive Director; Counsel Brad Smith, Neal and Leroy; Kurt Oelerich, Treasurer.

General public present:

Mr. Del Mar

Vice Chairman Fitzmaurice requested a motion to suspend the order of the Board meeting and enter into the Leases and Agreements Committee meeting followed by the Finance and Personnel Committee meeting. The motion was made by Mr. Del Mar and seconded by Mr. Chialdikas, and the motion carried unanimously.

SUMMARY REPORT ON STANDING COMMITTEES

Committee Members Present:

Paul Chialdikas
Chuck Bowen
Henry Wisniewski
Ray Suarez
Terry Fitzmaurice

Others Present:

Clayton Harris III, Executive Director
William Habel
Terry Sullivan
Aaron Del Mar
Brad Smith, Neal & Leroy
Kurt Oelerich, Treasurer

LEASES AND AGREEMENTS COMMITTEE

The Leases and Agreements Committee was held on Friday, June 21, 2019.

EXECUTIVE SESSION

Vice Chairman Fitzmaurice requested a motion to enter Executive Session to discuss: NASCO Lease Agreement, Letter of Intent, and Tenant Updates. The motion was made by Mr. Del Mar and was seconded by Mr. Chialdikas and the motion carried unanimously.

Old Business

NASCO Lease - Executive Session

After discussion, the Committee recommended the Board request Counsel Smith to redraft the NASCO lease for its current space with a term of 5 years, and include a 5 year option to renew. The Committee requested the lease be completed for signature at the July meeting.

Letter of Intent, JLL – Executive Session

Tenant Update - Executive Session

After discussion, the Committee recommended the Board approve the Kinder Morgan tank project, subject to Counsel Smith's approval.

After discussion, the Committee recommended the Board request Counsel Smith to send default notices to Dockside Steel relating to its late rental payments and failure to pay its real estate taxes.

Following discussion, Vice Chairman Fitzmaurice requested a motion to exit Executive Session. Mr. Del Mar made the motion to exit executive Session and the motion was seconded by Mr. Chialdikas and the motion passed unanimously.

There being no further business, Vice Chairman Fitzmaurice closed the Leases and Agreements Committee Meeting and opened the Finance and Personnel Committee Meeting.

FINANCE AND PERSONNEL COMMITTEE
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The Finance and Personnel Committee Meeting was held on Friday, June 21, 2019.

Vice Chairman Fitzmaurice requested a motion to enter Executive Session to discuss: Invoices and Employee related matters. The motion was made by Mr. Del Mar and was seconded by Mr. Chialdikas and the motion carried unanimously.

Monthly Financial Reports and Financial Update

Treasurer Oelerich presented the May 2019 financial reports for review. A number of points were noted and discussed, including:

- The May 2019 revenue and year to date 2019 Revenue fell above the budgeted amount.
- The May 2019 monthly total expense and year to date 2019 results fell below the budgeted monthly amount.
- The May 2019 Net Income exceeded the budgeted amount. Net Income for the year to date is above the budgeted amount.

Following discussion, the Committee recommended approval of the May Financial Reports by the Board of Directors.

Board Financial Update

Old Business

Letter of Credit

Treasurer Oelerich noted the increase in interest expense is reflective of the quarterly increase required in the current letter of credit at US Bank. US Bank has sent correspondence regarding the Port's progress in obtaining new financing.

The Committee discussed Loop Capital's proposal regarding a new letter of credit at a favorable interest rate and Loop Capital's report of investor interest. Also discussed was the impact the Master Lease has on the Port not moving forward with obtaining new financing.

The Committee requested Counsel Smith and Executive Director reply to the US Bank correspondence appropriately.

The Committee directed the Executive Director to include the Master Lease on the Agenda for the July meetings.

Finance and Personnel Committee

Old Business (continued)

2019 Audit

The Committee reviewed the 2019 Audit. After discussion, the Committee recommended a policy be set that would require all Board members to receive and answer all surveys/questionnaires relating to the Audit prior to completion of the Audit. In addition, the Committee recommended all future engagements and RFPs include this policy. The Committee requested the Treasurer provide the most recent survey/questionnaire to each Board member.

Harborside

The Committee directed the Executive Director to contact Harborside to attend the July meeting to provide an update on the course operations.

New Business

Invoices – Executive Session

Employee Matters - Executive Session

There being no further business for the Finance and Personnel Committee, Vice Chairman Fitzmaurice closed the Finance and Personnel Committee and opened the Regular Board Meeting.

REGULAR BOARD MEETING

The following Directors were present: Terry Fitzmaurice, Charles Bowen, Ray Suarez, Terry Sullivan, Henry Wisniewski, Paul Chialdikas, William Habel, and Aaron Del Mar. A quorum was present. Michael Forde was absent.

ADOPTION OF MINUTES – Board Minutes May 17, 2019

The Minutes of the May 17, 2019 Board Meeting were presented. Vice Chairman Fitzmaurice requested a motion to approve the May Minutes. The motion was made by Mr. Bowen and seconded by Mr. Chialdikas and the motion passed unanimously.

April 18, 2019 Executive Session Meeting Minutes

The Minutes of the April 18, 2019 Executive Session Meeting were presented. Vice Chairman Fitzmaurice requested a motion approve the April 18, 2019 Executive Session Minutes. The motion was made by Mr. Suarez, the motion was seconded by Mr. Bowen and the motion passed unanimously.

Leases and Agreements Committee Report – Items Requiring Action

Vice Chairman Fitzmaurice reported the Committee recommended the Board request Counsel Smith to redraft the NASCO lease for its current space with a term of 5 years and include a 5 year option to renew. The Committee requested the lease be completed for signature at the July meeting. Vice Chairman Fitzmaurice requested a motion requesting Counsel Smith to redraft the NASCO lease to reflect a 5 year term with a 5 year option. Mr. Suarez made the motion and Mr. Bowen seconded the motion and the motion passed unanimously.

Vice Chairman Fitzmaurice reported the Committee recommended the Board approve the Kinder Morgan tank project, subject to Counsel Smith's approval. Vice Chairman Fitzmaurice requested a motion to approve the Kinder Morgan tank project, subject to Counsel Smith's approval. Mr. Bowen made the motion and Mr. Habel seconded the motion and the motion passed unanimously.

Vice Chairman Fitzmaurice reported the Committee recommended the Board request Counsel Smith to send default notices to Dockside Steel relating to its late rental payments and failure to pay its real estate taxes. Vice Chairman Fitzmaurice requested a motion to approve Counsel Smith sending default notices to Dockside Steel relating to its late rental payments and failure to pay its real estate taxes. Mr. Suarez made the motion and Mr. Chialdikas seconded the motion and the motion passed unanimously.

Regular Board Meeting (continued)

Finance and Personnel Committee Report – Items Requiring Action

Vice Chairman Fitzmaurice reported the Committee recommended the Board of Directors approve the April 2019 Financial Reports. Vice Chairman Fitzmaurice requested a motion to approve the April 2019 Financial Reports. Mr. Bowen made the motion and Mr. Fitzmaurice seconded the motion and the motion passed unanimously.

Vice Chairman Fitzmaurice reported the Committee recommended the Board of Directors approve the May 2019 Financial Reports. Vice Chairman Fitzmaurice requested a motion to approve the May 2019 Financial Reports. Mr. Bowen made the motion and Mr. Suarez seconded the motion. Board members Fitzmaurice, Suarez, Bowen, Sullivan, Habel, Wisniewski and Chialdikas voted aye, Mr. Del Mar voted nay.

Vice Chairman Fitzmaurice reported the Committee recommended the Board approve the Executive Director and Counsel Smith to contact US Bank and respond to its recent correspondence regarding refinancing. Vice Chairman Fitzmaurice requested a motion to approve the Executive Director and Counsel Smith to contact US Bank and respond to its recent correspondence regarding refinancing. Mr. Suarez made the motion and Mr. Del Mar seconded the motion and the motion passed unanimously.

Vice Chairman Fitzmaurice reported the Committee recommended the Board approve the Executive Director Harris to negotiate a 6 month contract for consulting services with Emily Rhodes. Vice Chairman Fitzmaurice requested a motion to approve the Executive Director to negotiate a 6 month with Emily Rhodes for consulting services. Mr. Suarez made the motion and Mr. Chialdikas seconded the motion and the motion passed unanimously.

New Business

Mr. Habel made a motion to list the Master Lease for discussion on the July Agenda. The motion was seconded by Mr. Del Mar and the motion passed unanimously.

Vice Chairman Fitzmaurice made a motion to list debt refinancing for discussion on the July Agenda. The motion was seconded by Mr. Del Mar and the motion passed unanimously.

PUBLIC COMMENT

None

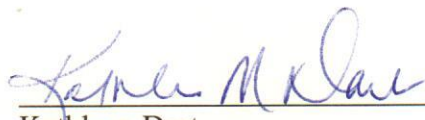
ADJOURNMENT

With no other business before the Board, Vice Chairman Fitzmaurice requested a made a motion to adjourn. The motion was made by Mr. Chialdikas and seconded by Mr. Fitzmaurice, and the motion passed unanimously.

The next Committee meetings and regular Board meeting will take place on Friday, July 19, 2019. The meetings will be held at 9:00 am at 3600 E. 95th Street, Chicago, IL.



Terry Fitzmaurice
Vice Chairman



Kathleen Dart
Secretary